LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m. on **TUESDAY**, **MARCH 27, 2007**, upon the application of **EOG RESOURCES, INC**.

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the **Austin Chalk Zone**, **Reservoir A**, in the Fort Jessup Field, Sabine Parish, Louisiana.

- 1. To establish rules and regulations and to create five (5) drilling and production units for the exploration for and production of gas and condensate from the Austin Chalk Zone, Reservoir A.
- 2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed units with each tract sharing in unit production on a surface acreage basis of participation.
- 3. To authorize special field spacing rules for future horizontal wells drilled to the Austin Chalk Zone, Reservoir A, which would provide: (a) that the penetration point and terminus of any lateral of any such horizontal well should be located no closer than 330 feet to any unit boundary; (b) that the distance from any point along the productive portion of any lateral and those unit boundaries which run generally parallel to the direction in which the laterals are drilled should not be less than 660 feet; and (c) that there be no well spacing limitations between wells other than that accomplished by application of the aforestated provisions.
- 4. To provide that future horizontal wells drilled to the Austin Chalk Zone, Reservoir A, be given an allowable based on the maximum efficient rate (MER) of the well, being the maximum sustainable daily withdrawal rate from the reservoir which will permit economical development and reservoir depletion without causing waste in accordance with the provisions of Statewide Order No. 29-S (LAC 43:XVIII.4301-4305).
- 5. To provide that the Commissioner of Conservation should be authorized to reclassify the reservoir by supplemental order without the necessity of a public hearing if the producing characteristics of the reservoir change and evidence to justify such reclassification is submitted to and accepted by the Commissioner of Conservation.
- 6. To consider such other matters as may be pertinent.

The Austin Chalk Zone, Reservoir A, is hereby defined as being the stratigraphic equivalent of that gas and condensate bearing zone encountered between the depths of 4,304' and 4,762' (electrical log measurements) in the Carter Oil Company-Louisiana Long Leaf Lumber B-1 Well, located in Section 19, Township 6 North, Range 11 West, Sabine Parish, Louisiana.

Plats are available for inspection in the Office of Conservation in **Baton Rouge** and **Shreveport**, Louisiana.

www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH COMMISSIONER OF CONSERVATION -3- PAGE 2

FORT JESSUP FIELD 07-267

Baton Rouge, LA 2/19/07;2/22/07 S lck

IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN TEN (10) WORKING DAYS OF THE HEARING DATE.